

Memorandum

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Be energy efficient!*

To: DEPUTY DISTRICT DIRECTORS
FOR LOCAL ASSISTANCE, 1-12
DISTRICT LOCAL ASSISTANCE ENGINEERS

Date: January 14, 2005

File: Subcontracting

From: TERRY L. ABBOTT
Chief
Division of Local Assistance



Subject: Inclusion of Federal Form 1273 Contract Provisions

The purpose of this memorandum is to alert District DLAEs to notify their local agencies that it is the responsibility of the prime construction contractor of a Federal-aid project to ensure that the required contract provisions contained in Federal Form 1273 are physically included in subcontracts, lower tier subcontracts, and purchase orders. Our Process Review on "Subcontracting – Contract Compliance" recently identified the deficiency that a majority of prime construction contractors of local agency Federal-aid projects are incorporating the required contract provisions contained in Federal Form 1273 into subcontracts by reference, and not by physically including them as required by the regulations.

Section 12.9 of Chapter 12 of the Local Assistance Procedures Manual (LAPM), 23 Code of Federal Regulations 633.102(e), and the Federal Form 1273 itself, all state that the prime construction contractor of a Federal-aid project shall physically include in each subcontract, lower tier subcontracts, and purchase orders the required contract provisions contained in Federal Form 1273, except as excluded by law or regulation.

To immediately correct this deficiency, please notify by e-mail, or other means, the local agencies in your district and request that they ensure that the prime construction contractors of their Federal-aid projects are fully complying with the requirement to physically include the required contract provisions contained in Federal Form 1273 in all subcontracts, lower tier subcontracts, and purchase orders as required by the regulations. If a prime construction contractor of a Federal-aid project currently has included them by reference, the prime construction contractor must ensure that the subcontracts, lower tier subcontracts, and purchase orders are modified to physically include the required contract

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provisions contained in Federal Form 1273 in order for the subcontract, etc. to be eligible for Federal-aid funds. Attached is a suggested draft for transmittal to local agencies.

Please contact Gene Shy, CALNET 461-6552 or (916) 651-6552, for questions or to recommend long-term corrective action.

Attachment

- c: Metropolitan Planning Organizations
Regional Transportation Planning Agencies
Peter Rei, Tuolumne County
~~Gene Shy, CALNET~~
Process Review Team